

SERVICES AGREEMENT

THIS AGREEMENT IS MADE BETWEEN:

Customer Name: Contact Name:	County of San Bernardino	Verizon Business Network Services Inc. on behalf of Verizon California Inc. Account Manager Name: Wayne Gilchrist
Address:	670 E. Gilbert Street San Bernardino, CA 92415	22001 Loudoun County Parkway Ashburn, VA 20147
Main Billing Tel. No:	909 387-2124	Case Nos: 2008-457573 and 2008-456640

1. **Services.** Customer hereby requests and agrees to purchase from the undersigned Verizon company ("Verizon") the services identified in the attached Exhibit(s) to this Agreement ("Services") pursuant to the terms and conditions of this Agreement. The Services will be provided to Customer locations specified in the attached. This Agreement and any Exhibit(s) hereto become binding when signed by an authorized Verizon representative. Under no circumstances may the Customer resell the Services being provided under the rates, terms and conditions of this Agreement.
2. **Customer Responsibilities.**
 - 2.1 With respect to each Customer-designated location, Customer is responsible for taking all steps necessary to interconnect the Service at such location, including the payment of associated interconnection costs and those associated with Customer personnel, the securing of rights-of-way, and the furnishing of electrical power, heating, ventilating and cooling. The selection of AC or DC power must be mutually agreed to by Customer and Verizon.
 - 2.2 Customer also undertakes (without limitation) to, obtain, install and maintain all equipment, materials and supplies necessary to interconnect terminal equipment or communications system of the Customer, or any third party acting as its agent ("Customer Equipment"), to the Service, as well as fulfillment of the following: (a) secure all licenses, permits, and other arrangements necessary for interconnection; (b) make necessary arrangements in order that Verizon will have access to such locations at reasonable times for installing, testing, repairing or removing the Service; (c) protect the privacy of any communications carried over Verizon's or its affiliate's facilities; (d) ensure that Customer Equipment is properly interfaced with the Service and emits signals that: (i) are of the proper mode, bandwidth, power, data speed and signal level for the intended use of the Customer; (ii) are fully compliant with the generally accepted minimum protective standards of the telecommunications industry as endorsed by the FCC; and (iii) do not damage Verizon or its affiliates' facilities, injure their personnel or degrade service to other Verizon customers or that of its affiliates.
 - 2.3 If Customer (or its agent, contractor, or user) fails to maintain and operate Customer Equipment properly, with resulting imminent harm to Verizon's network, Verizon personnel or other Verizon services, Verizon may, upon written notice, require the use of protective interface equipment at Customer's expense. If this action fails to produce satisfactory quality and safety results, Verizon may, immediately upon written notice, suspend the Service without liability. During any such period of suspension, any credit allowance for Service interruptions set forth herein does not apply. Customer shall also reimburse Verizon for damages to Verizon facilities caused by the negligence or willful act of Customer, resulting from Customer's improper use of the Customer Equipment or the Service.
 - 2.4 The Services may be connected with the services or facilities of other carriers. Verizon may, when authorized by Customer and agreed to by Verizon, act as Customer's agent for ordering facilities provided by other carriers to allow such connection of Customer's locations to Verizon's network or to the network of an underlying carrier or service. Customer is responsible for all charges billed by other carriers in connection with the use of Service. Any special equipment or facilities necessary to achieve compatibility between carriers are the sole responsibility of Customer.
 - 2.5 Customer must notify Verizon of any interruption of Service. Before giving such notice, Customer shall ascertain that the trouble is not being caused by any action or omission of Customer and is not in the Customer Equipment.

- 2.6 Customer is solely responsible for the selection, implementation and maintenance of security features for protection against unauthorized or fraudulent use of Services.
 - 2.7 Neither Customer nor its agents, subcontractors, third parties or users may rearrange, disconnect, move, remove, modify, or attempt to repair any facilities or Service provided by Verizon, other than by connection or disconnection to any interface means used, without the prior written consent of Verizon.
 - 2.8 Customer is responsible to perform any error detection and error correction of data generated by Customer Equipment. Verizon assumes no responsibility for the quality of the signal generated by the Customer or any Customer Equipment and will deliver the signal to the receiving location in the same format and condition as generated by Customer.
3. **Service Limitations.**
- 3.1 The Service may not be used for any unlawful purpose.
 - 3.2 The facilities used to provide the Service will be exclusively of Verizon's choosing. Verizon may at any time substitute facilities used to provide the Service, or it may substitute comparable service for the Service being provided to Customer. Verizon facilities and equipment placed on Customer premises that are utilized by Verizon to provide Service remain the property of Verizon. Such facilities must be returned to Verizon by the Customer, whenever requested, within a reasonable period following the request in as good condition as reasonable wear will permit.
 - 3.3 Verizon's provision of Service is subject to authorization to operate in the jurisdiction(s) where the Services are provided. The obligation of Verizon to provide Service is dependent upon its ability to procure, construct, and maintain facilities that are required to meet Customer's order for service. Verizon will make all commercially reasonable efforts to secure the necessary facilities, providing such Service will not adversely affect Verizon's services.
 - 3.4 Verizon reserves the right to perform network upgrades as required to maintain the Service performance. Verizon will make reasonably commercial efforts to perform these upgrades during the hours of 11 PM and 8 AM Eastern Time and to provide notice to Customer. Verizon reserves the right to perform maintenance at any time, at its discretion, when it believes such unscheduled maintenance is necessary to maintain Service or network performance.
 - 3.5 Except as set forth in an applicable Exhibit(s), Verizon is not subject to any performance intervals, performance measurements, performance credits, penalty payments or the like associated with the performance of this Agreement.
 - 3.6 No license (other than the limited license to use) is granted by Verizon nor may any be implied or arise by estoppel, with respect to the Service.
 - 3.7 Common carrier interstate services that may be used with the Service will be provided pursuant to tariff rates, terms, and conditions of applicable tariffs or separate agreement. In the event a regulatory agency or the courts re-impose common carrier regulation for the Service as provided herein, the rates, terms and conditions for this Service will automatically revert to tariff rates, terms and conditions without an amendment.
 - 3.8 The use and restoration of Service during emergency conditions will be performed consistent with applicable law and regulation.
4. **Effective Date; Term; Service Period; Extended Service Period.** The term of this Agreement shall commence as of the date this Agreement is executed by both parties (the "**Effective Date**") and shall continue for a period of sixty (60) month(s) (the "**Term**"). With respect to any Services for which the applicable Service Period or Extended Period (as defined below) has not expired by the end of the Term, the terms and conditions of this Agreement will remain in full force and effect until such Service Period or Extended Period expires. Customer shall purchase the Services identified in each Exhibit for the period of time stated in the Exhibit (the "**Service Period**"). Unless otherwise stated in the Exhibit, the Service Period will begin when any work or installation of facilities needed to provide the Service is completed and the Service is turned over to the Customer for use. Upon expiration of the Service Period relevant to the Services, each Service Period shall automatically be extended on a month-to-month basis (the "Extended Service Period") subject to the same terms and conditions as are then in effect with respect to such Services until a new agreement is entered into or the Service is terminated by either party upon 30 days prior written notice to the other party. Although the terms and conditions will continue to apply, Verizon may charge its then-current month-to-month rates for the Service at the expiration of a Service Period.
5. **Charges.** Customer is responsible for payment to Verizon, or to any entity designated by Verizon as its collection agent, for all rates and charges set forth in the applicable Exhibit and associated with the Service, including any applicable early termination charges ("Charges"). This responsibility for payment of the Charges is not changed by virtue of any use, misuse, abuse or fraudulent use of the Service by Customer or third parties including, without limitation, the Customer's employees or other members of the public. The Charges may include: (a) non-recurring

or one-time Charges that are payable when the service with which they are associated has been performed; (b) recurring Charges which are not dependent on usage (which may be billed in advance); or (c) usage Charges billed after each usage cycle associated with the Service. If an entity other than Verizon (e.g., another carrier or a supplier) imposes charges on Verizon in connection with the Service, those charges, along with any applicable Charges, will be imposed on Customer.

6. Taxes and Surcharges.

6.1 Verizon's Charges are exclusive of the following charges: (a) all applicable federal, state, local, and foreign sales, use, excise, utility, gross receipts, value added or other taxes ("Taxes"); and (b) all applicable surcharges, including but not limited to charges to recover amounts Verizon is required or permitted by a governmental or quasi-governmental authority to collect from others or pay to others in support of statutory or regulatory funds or programs ("Surcharges"). Examples of Surcharges include, but are not limited to Universal Service funding, license tax, permit fees, or franchise fees.

6.2 Verizon may elect to impose and collect such Taxes and/or Surcharges, unless otherwise constrained by court order or direction. Customer agrees to pay all Taxes and Surcharges imposed. If Customer provides Verizon with a duly authorized exemption certificate, Verizon will exempt Customer in accordance with law, effective on the date Verizon receives the certificate.

6.3 Any adjustment to, or imposition of, Taxes and Surcharges under this Section 6 may be made without prior notice to Customer.

7. Billing and Payment. Verizon will invoice Customer monthly. Payments will be due net 30 days from the invoice date unless a different due date appears on the invoice. Payments received after the due date may be subject to a late payment charge of 1.5% per month or the maximum rate permitted by law, whichever is lower, on all overdue amounts until Customer's account is current. Should Customer have a billing dispute, Customer must provide notice to Verizon in writing within 30 days of the invoice date with an explanation of the disputed invoiced amount, and Customer shall pay the undisputed portion. If Verizon determines that a disputed charge was billed correctly, payment is due from Customer within 5 days after Verizon advises Customer that the dispute is denied. Customer shall pay disputed amount by such date or commence Dispute Resolution procedures under Section 16.

8. Service Termination by Customer. If Customer terminates the Service subsequent to the execution of this Agreement by both parties, Customer shall pay all applicable Charges for early termination of the Service as specified in the Exhibit(s). Termination of the Service must be in writing to Verizon and Verizon has up to 30 days to complete the disconnection of the Service. Customer is responsible for all Charges for the Service during such 30 days. This 30-day period begins on the day Verizon receives Customer's written termination notice from Customer.

9. Suspension of Services by Verizon. In addition to its rights to suspend Service as set forth above, Verizon may suspend, or limit use of any Services provided under this Agreement without liability and with notice as required by law to Customer, for the following reasons: a) The Service is being used in violation of any applicable federal, state, or local law, ordinance or regulation; b) The Services are being used in an unauthorized or fraudulent manner; c) The use of the Services adversely affects Verizon's equipment or its service to others; d) A court or other governmental authority having jurisdiction issues an order prohibiting Verizon from furnishing the Services to Customer; or e) Customer fails to pay undisputed charges for Services provided.

10. Limited Warranty. VERIZON WILL USE COMMERCIALY REASONABLE EFFORTS TO PROVIDE THE SERVICES SUBSTANTIALLY IN ACCORDANCE WITH ANY SERVICE DESCRIPTIONS SET FORTH IN THIS AGREEMENT. IF THE SERVICES DO NOT FUNCTION SUBSTANTIALLY IN ACCORDANCE WITH SUCH SERVICE DESCRIPTIONS, THROUGH NO FAULT OF CUSTOMER OR ITS AGENTS AND NOT DUE TO SCHEDULED MAINTENANCE, VERIZON'S SOLE OBLIGATION IS TO REPAIR AND RESTORE THE SERVICES AT VERIZON'S EXPENSE AND TO PROVIDE TO CUSTOMER ANY CREDITS FOR THE AFFECTED SERVICES IN ACCORDANCE WITH THIS AGREEMENT OR THE APPLICABLE EXHIBIT. THE FOREGOING WARRANTY AND REMEDY IS VERIZON'S EXCLUSIVE WARRANTY AND CUSTOMER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY, UNLESS OTHERWISE STATED IN AN APPLICABLE EXHIBIT HERETO. VERIZON HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.

11. Indemnity and Limitation of Liability. FOR SERVICES PROVIDED BY VERIZON CALIFORNIA INC. PURSUANT TO THIS AGREEMENT, INDEMNIFICATION AND LIABILITY, INCLUDING LIMITATIONS, WILL BE AS SET OUT VERIZON CALIFORNIA'S CURRENT OR HEREAFTER FILED TARIFFS INCLUDING BUT NOT LIMITED TO VERIZON CALIFORNIA INC. SCHEDULE CAL. P.U.C NO. D & R RULE NO. 26. IN THE EVENT RULE NO. 26 OR OTHER TARIFF INDEMNIFICATION OR LIABILITY, INCLUDING LIMITATION, PROVISIONS ARE HEREAFTER DETARIFFED, THEN THE TERMS OF SUCH TARIFFS, INCLUDING TARIFF

RULES, IN EFFECT IMMEDIATELY PRIOR TO SUCH DETARIFFING SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE AND SHALL CONTINUE TO APPLY TO THE SAME EXTENT AS SUCH TARIFFS APPLIED HEREUNDER, BY THIS SPECIFIC INCORPORATION AND INCLUSION, PRIOR TO DETARIFFING.

- 12. Force Majeure.** Neither party is liable for any delay or failure in performance under this Agreement arising out of acts or events beyond its reasonable control, including but not limited to acts of God, war, terrorist acts, fire, flood, severe weather, cut cable, explosion, riot, embargo, acts of the Government or third parties, labor disputes or strikes, or unavailability of necessary facilities or equipment.
- 13. Default.** If Verizon fails to substantially perform its obligation to provide any Service in accordance with this Agreement, or if Customer fails to substantially perform its obligations hereunder in connection with any Service, and such failure is not cured within 30 calendar days following receipt of a default notice in writing from the other party, then the non-defaulting party has the right to terminate the specific Service to which the default pertains. Verizon may also terminate this Agreement if Customer fails to pay any invoice (excluding Disputed Claim amounts) within 30 days after the invoice date, which failure has not been cured within 10 days of receiving notice of the failure to pay. Upon termination of such Service, Customer is liable for any unpaid charges for the terminated Service incurred up to the time of termination of such Service. If such termination is due to the default of Customer, then Customer is required to pay the applicable termination liability charges as set forth in the applicable Exhibits. The Agreement may not be terminated, and continues in effect, with respect to all other Services that are not the subject of such default. Termination of any Service, or any Exhibit, for any cause does not release either party from any liability which at the time of termination had already accrued or which thereafter accrues for any act or omission occurring prior to the termination or from an obligation which is expressly stated in the Agreement to survive termination.
- 14. Intellectual Property.**
- 14.1 Except as expressly stated in this Agreement, this Agreement may not be construed as granting a license with respect to any patent, copyright, trade name, trademark, service mark, trade secret or any other intellectual property, now or hereafter owned, controlled or licensable by either party. Except as expressly stated in this Agreement or in accordance with the terms of a separate license agreement between the Parties granting such rights, neither party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right, of the other party.
- 14.2 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, CUSTOMER AGREES THAT VERIZON HAS NOT MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY CUSTOMER OF VERIZON'S SERVICES PROVIDED UNDER THIS AGREEMENT, EITHER ALONE OR IN COMBINATION WITH OTHER SERVICES OR PRODUCTS OF CUSTOMER OR ANY THIRD PARTY, MAY NOT GIVE RISE TO A CLAIM OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT.
- 14.3 Customer agrees that the Services provided by Verizon hereunder are subject to the terms, conditions and restrictions contained in any applicable agreements (including software or other intellectual property license agreements) between Verizon and Verizon's vendors. Verizon agrees to advise Customer, directly or through a third party, of any such terms, conditions or restrictions that may limit any Customer use of Services provided by Verizon that is otherwise permitted by this Agreement.
- 15. Insurance.** Verizon shall secure and maintain insurance coverage as described below.
- 15.1 **Worker's Compensation.** A program of Workers' Compensation Insurance or a State- approved Self – Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's liability with a two hundred and fifty thousand dollar (\$250,000.00) limit, covering all persons providing Services on behalf of Verizon and all risks to such persons under this Agreement.
- 15.2 **Comprehensive General and Automobile Liability Insurance.** This coverage shall include contractual coverage and automobile liability coverage for owned, hired and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000.00).
- 15.3 **Additional Named Insured.** All policies, except for Worker's Compensation, shall name on the Certificate of Insurance, the Customer and its officers, employees, agents and volunteers as additional insured with respect to liabilities arising out of the performance of Services hereunder. Additional endorsements are not provided.
- 15.4 **Waiver of Subrogation Rights.** Verizon shall require the carriers of the above required coverages to waive all rights of subrogation against the Customer, its officers, employees, agents, volunteers, vendors and subcontractors.
- 15.5 **Policies Primary and Non-Contributory.** All policies required above are to be primary and non-

contributory with any insurance or self-insurance programs carried or administered by the Customer.

- 15.6. **Proof of Coverage.** Verizon shall immediately furnish Certificates of Insurance to the Customer Department administering this Agreement evidencing the insurance coverage, prior to the commencement of performance of the Services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Customer Department. Verizon shall maintain such insurance from the time Verizon commences performance of the Services hereunder until the completion of such Services. Customer, at its option and expense, may view copies of Verizon's insurance policies and all endorsements, at Verizon's designated location for this purpose at 1717 Arch Street, Philadelphia, PA location. In the event that this location changes during the term of the Agreement, Verizon will provide Customer the current location upon request.
16. **Dispute Resolution.** Any controversy, claim, or dispute ("Disputed Claim") arising out of or relating to this Agreement must follow the dispute resolution process stated in this Agreement. Any Disputed Claims, other than claims relating to indemnification and equitable relief, that are not resolved by the parties directly must be resolved by binding arbitration of a single arbitrator in accordance with the rules of the American Arbitration Association at a mutually agreed upon location. The decision of the arbitrator must be based upon this Agreement and applicable law. The decision of the arbitrator must be reduced to writing, is final and binding except for fraud, misconduct, or errors of law, and judgment upon the decision rendered may be entered in any court having jurisdiction thereof. In all arbitrations, the arbitrator must give effect to applicable statutes of limitation subject to limitation of actions terms set forth in this Agreement and does not have authority to award relief in excess of what this Agreement provides, to award punitive damages, or to order consolidation or class arbitrations. The parties agree that any such claims arising under this Agreement must be pursued on an individual basis in accordance with the procedure noted above. Even if applicable law permits class actions or class arbitrations, the procedure agreed to herein applies and the parties waive any rights to pursue any claim arising under this Agreement on a class basis.
17. **Confidential Information.** Except as required by law or regulation, each party promises that during the Service Period stated in each Exhibit, as applicable, and for three years after, it will use the other party's Confidential Information only for purposes of this Agreement, not disclose it to third parties except as provided below, and protect it from disclosure using the same degree of care it uses for its own Confidential Information (but no less than a reasonable degree of care). "Confidential Information" means information (in whatever form) designated as confidential by the disclosing party by conspicuous markings (if tangible Confidential Information) or by announcement at the time of initial disclosure (if oral Confidential Information) or if not so marked or announced should reasonably have been understood as confidential to the disclosing party (or one of its affiliates or subcontractors), either because of legends or other markings, the circumstances of disclosure or the nature of the information itself and that (i) relates to this Agreement or changes to this Agreement; (ii) relates to the disclosing party's customers, products, services, developments, trade secrets, know-how or personnel; and (iii) is received by the receiving party from the disclosing party during the Service Period. Confidential Information does not include information that: (a) is in the possession of the receiving party free of any obligation of confidentiality at the time of its disclosure; (b) is or becomes publicly known other than by a breach of this provision; (c) is received without restriction from a non-party free to disclose it; or (d) is developed independently by the receiving party without reference to the Confidential Information. In addition, information, whether or not Confidential Information, may be disclosed by a receiving party as may be required by applicable law, rule, regulation, or lawful process.
18. **Law Enforcement.**
- 18.1 Each party may cooperate with law enforcement authorities and national security authorities to the full extent required or permitted by applicable law in matters related to the Services provided by it under this Agreement, including the production of records, the establishment of new lines or the installation of new services on an existing line in order to support law enforcement and/or national security operations, the installation of wiretaps, trap-and-trace facilities and equipment, and dialed number recording facilities and equipment.
- 18.2 A party does not have the obligation to inform the other party or the customers of the other party of actions taken in cooperating with law enforcement or national security authorities, except to the extent required by applicable law.
19. **Entire Agreement; Severability.** This Agreement, including Exhibits and any Addenda made a part hereof, constitutes the entire agreement of the parties pertaining to the subject matter herein and supersedes all prior agreements, negotiations, and representations, whether written or oral, concerning such subject matter. No representations or warranties express or implied, have been made or relied upon in the making of this Agreement other than those specifically contained in this Agreement. Unless specified otherwise, this Agreement may be modified or amended only if done in writing and signed by both Parties. All provisions of this Agreement are severable, and the invalidity or unenforceability of any provision will not affect the validity or enforceability of the

remaining provisions. The remaining provisions will be interpreted in such a manner as to carry out the full intention of the parties.

20. **Waiver.** Either party's failure to enforce any of the provisions of this Agreement or to exercise any right or option is not a waiver of any such provision, right, or option, and does not affect the validity of this Agreement. Any waiver must be written and signed by the Parties. If any provision of this Agreement or the provision of any Service under the terms hereof is held to be illegal, invalid, or otherwise prohibited under applicable law or regulation in any State or jurisdiction, then this Agreement must be construed as if not containing such provision or not requiring the provision of such invalid, illegal, or prohibited Service in such State or jurisdiction.
21. **Independent Contractor Relationship; No Agency.** The personnel of Customer and of Verizon are not agents or employees of the other and Customer and Verizon are each an independent contractor for all purposes and at all times in connection with provision of Services under this Agreement. Except as otherwise provided herein, neither Customer nor Verizon has the right or authority to, and shall not, assume or create any obligation of any nature whatsoever on behalf of the other or bind the other in any respect whatsoever. Customer and Verizon each shall indemnify, hold harmless and defend the other against any liabilities, claims, losses and damages (including costs, expenses and reasonable attorneys' fees) arising out of its failure to comply with this provision and any laws, rules or regulations applicable to this provision.
22. **Assignment.** Either party may assign this Agreement or any of its rights hereunder to an affiliate or successor upon notice to the other party. If Customer assigns this Agreement to an affiliate or successor, then that affiliate or successor must meet Verizon's creditworthiness standards for the assignment to become effective. Any attempted transfer or assignment of this Agreement by one party to any other third party without prior written consent is null and void.
23. **Notices.** Notices under this Agreement must be sent by first-class U.S. mail, postage prepaid, to Verizon Business Services, 6415-6455 Business Center Drive, Highlands Ranch, CO 80130, Attn: Customer Service, Email: notice@verizonbusiness.com. With a copy to, Verizon Business Services, 22001 Loudoun County Pkwy, Ashburn, VA 20147, Attn: Vice President, Legal, and to Customer at the address specified above. Notices are deemed effective 5 business days after such mailing.
24. **Compliance With Laws.** Each party shall comply with the provisions of all applicable federal, state, and local laws, ordinances, regulations and codes in its performance under this Agreement. The Services are subject to such orders, rulings, and tariffs now or hereafter issued or filed with the Federal Communications Commission (FCC) and/or the applicable state regulatory commission if and to the extent required by law. In the event of a conflict between the terms of any such tariffs and this Agreement, the terms of such tariffs will apply to the extent required under applicable law.
25. **Applicable Law.** In the event of any claim or dispute, the laws of the jurisdiction in which Verizon provides to Customer the particular Service that is the subject of such claim or dispute will apply, without regard to its choice of law provisions. If Service provided is multi-jurisdictional, then the laws of the State of New York will apply, without regard to its choice of law provisions. The parties acknowledge that the Service is provided entirely in the State of California, and that the laws of California therefore apply.
26. **Interpretation.** Nothing in this Agreement may be construed or interpreted for or against either Customer or Verizon because that party drafted or caused that party's legal representative to draft any of its provisions.
27. **Limitation of Actions.** A party may bring no action or demand for arbitration arising out of this Agreement more than 2 years after the cause of action has accrued. The parties waive the right to invoke any different limitation on the bringing of actions under state or federal law. Verizon will make no refund of overpayments by Customer unless the claim for such overpayment, together with proper evidence, is submitted within 2 years from the date of the alleged overpayment.
28. **Good Faith Performance.** The Parties shall act in good faith in their performance of this Agreement. Except as otherwise expressly stated in this Agreement (including where consent, approval, agreement or a similar action is stated to be within a party's sole discretion), where consent, approval, mutual agreement or a similar action is required by any provision of this Agreement, such action will not be unreasonably withheld, conditioned or delayed.
29. **Publicity.** Notwithstanding any contrary term in this Agreement, a party may not issue or permit issuance of a press release or other public statement concerning this Agreement without the consent of the other party and then only after the contents of such release or statement is agreed upon by the parties.
30. **Customer Purchase Orders.** The terms and conditions contained on a Customer purchase order document (whether signed by one or both parties) shall not serve to modify the terms and conditions of the Agreement or any of its Exhibits and such terms and conditions shall be void and of no effect.

- 31. Order of Precedence.** The contractual relationship between Verizon and Customer is governed by the following order of precedence with the item following (i) given the highest order of precedence in resolving conflicts in terms: (i) Service Exhibits, and (ii) these terms and conditions.
- 32. Consent to Use of Customer Proprietary Network Information ("CPNI").** Verizon acknowledges that it has a duty, and Customer has a right, under federal and/or state law to protect the confidentiality of Customer's CPNI. CPNI includes information relating to the quantity, technical configuration, type, destination, location, and amount of use of the telecommunications services Customer purchases from Verizon, as well as related local and toll billing information, made available to Verizon solely by virtue of Customer's relationship with Verizon. With Customer consent, Verizon may share Customer CPNI and other Confidential Information among its affiliates, including Verizon Wireless, and with agents and partners, so that all may use this information to offer Customer the full range of products and services offered by Verizon and its affiliates, including local, long distance, wireless, and Internet services (see www.verizon.com for a description of Verizon companies and services). By signing this Agreement, Customer consents to Verizon using and disclosing Customer CPNI as described above. Customer may refuse CPNI consent by signing this Agreement and by notifying Verizon in writing at cpni-notices@verizonwireless.com and cpni-notices@verizonbusiness.com of Customer's decision to withhold Customer's consent. Customer's consent or refusal to consent will remain valid until Customer otherwise advises Verizon, and in either case, will not affect Verizon's provision of service to Customer.
- 33. Authority.** Each signatory to this Agreement represents and warrants that he or she has authority to bind the entity on whose behalf he or she is executing this Agreement.

AGREED AND ACCEPTED:

Customer: COUNTY OF SAN BERNARDINO

VERIZON BUSINESS NETWORK SERVICES INC. on
behalf of VERIZON CALIFORNIA INC.

By _____

By _____

Name _____

Name Suleiman Hessami

Title _____

Title Vice President – Pricing/Contract
Management

Date _____

Date _____

SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

Dena M. Smith
Clerk of the Board of Supervisors
of the County of San Bernardino

By _____
Deputy

Interstate Ethernet Private Line Service Exhibit 1

Verizon company name: Verizon California Inc. (referred to in this Exhibit as “Verizon”)

State: California

Customer name: County of San Bernardino

Case Nos.: 2008-457573 and 2008-456640

The terms and conditions of this Exhibit apply to interstate Ethernet Private Line Service (“EPL”).

1. Definitions.

- 1.1 **Channel Extension.** The communications path and interface termination from the Customer location to the Verizon serving wire center.
- 1.2 **Circuit.** A configuration that provides end-to-end service, consisting of at least one Channel Extension and, if required, service Mileage. When EPL is connecting Verizon Dedicated SONET Ring (“DSR”) Service, a circuit may consist of Mileage and DSR ports in lieu of Channel Extensions.
- 1.3 **Ethernet.** A data communications protocol defined by standards 802.3, 802.3u, 802.3z, and related standards of the Institute of Electrical and Electronics Engineers.
- 1.4 **Point of Termination.** Denotes the point of demarcation within a Customer location at which Verizon's responsibility for the provision of the EPL ends.
- 1.5 **Port.** Denotes a DSR rate element that is the interface through which a service terminates or originates at a Node.

2. Service Description.

- 2.1 EPL provides managed optical point-to-point data transport over Verizon's shared network between Customer locations. EPL is provided at varying bandwidths from 10Mbps to 1000Mbps (GigE) with various interfaces including Ethernet, Fibre Channel and FiCON. EPL consists of at least one Channel Extension and any associated EPL Mileage.
- 2.2 Certain services governed by Verizon tariffs may be connected to EPL, if permitted by applicable tariffs or applicable law and regulation at the time such connection is requested by Customer. Such services may include DSR Service, Dedicated Wavelength Service (also known as IntelliLight Optical Transport Service), IntelliLight Broadband Transport Service, IntelliLight Entrance Facility, or Optical Hubbing Service.
- 2.3 Channel Extensions may be available as Protected or Unprotected.
 - 2.3.1 Protected Channel Extensions are provisioned with fiber path diversity. Fiber path diversity (“FPD”) provides two fiber pairs, placed in physically separate paths (e.g., different conduit paths) and separated by at least twenty-five (25) feet. Such 25-foot separation is not required a) on Customer's property, even if past the Point of Termination; b) Five-hundred (500) feet out from the property line of the Customer location; and c) Five-hundred (500) feet out from any Verizon serving wire center.
 - 2.3.2. Unprotected Channel Extensions are those for which Verizon is not obligated to provide FPD as described above. The Customer may upgrade any or all of its Unprotected Channel Extensions to Protected Channel Extensions by an amendment to this Exhibit and upon negotiation of appropriate rates and new construction charges, if any, for such Protected Channel Extensions.
- 2.4 EPL Mileage, if any, for each circuit applies on a per-mile basis to the airline distance between the Verizon serving wire centers. When the mileage calculation results in a fraction of a mile, it is rounded up to the next whole mile. EPL Mileage will have both fixed and variable rate elements.
- 2.5 EPL includes entrance cable or drop wiring and wire or intrabuilding cable to the Point of Termination. EPL has only one Point of Termination per Customer location which shall be determined by Verizon. Verizon is responsible for the installation, operation and maintenance of EPL only up to the Point of Termination. Verizon will test the EPL to the extent necessary to detect and/or clear troubles and to perform maintenance of such service as needed. Additional terminations beyond the Point of Termination are the sole responsibility of the Customer.
- 2.6 Construction of EPL facilities will not begin until the Customer and Verizon mutually agree on the service design and configuration. The Customer is responsible for identifying and disclosing to Verizon any conditions (including but not limited to, the need for conduit construction on Customer's property and the need for additional site preparation work on Customer's property) that might be affected by or might affect the installation of EPL.

3. Services and Quantity Commitments.

- 3.1 Customer agrees to purchase the following EPL from Verizon at the monthly recurring charges (“MRC”), non-recurring charges (“NRC”) and quantities set forth below for the applicable Service Period. Such charges will be fixed for the duration of the Service Period. Any other work, services or facilities required will be provided subject to prevailing tariff rates and charges, or if no tariff is applicable, as mutually agreed to by the parties and reflected in an amendment to this Agreement. Customer shall promptly provide Verizon with any documentation or information necessary for Verizon to implement the EPL services set forth below.

Service Rate Element	Quantity	Unit MRC	Total MRC	Unit NRC	Total NRC
300 Mb Unprotected Channel Extensions	12	\$1,672.50	\$20,070.00	\$1.00	\$12.00
Fixed Mileage	10	\$307.50	\$3,075.00	N/A	N/A
Mileage, per mile (See Note 1)	125	\$102.75	\$12,843.75	N/A	N/A

Note 1: The mileage quantity listed in the table above is an estimate only. The charges billed by Verizon for the Mileage service element will be based on actual mileage. Customer is responsible for the actual mileage charges.

Note 2: The above rates do not include new construction charges, if any. Any new construction charges that may be required to provide the Service shall be the responsibility of the Customer and will be in addition to the above rates and charges. New construction charges will be determined at facilities/port inquiry time and will be charged accordingly. An amendment to the Agreement will be required if New Construction is applicable for an EPL circuit

- 3.2 Customer agrees to purchase each EPL service component at the rates and in the quantities set forth above, for a period of sixty (60) consecutive months following the In-Service Date as defined below (the “Service Period”). The In-Service Date (“In-Service Date”) is the date after the Effective Date of the Agreement when Verizon informs the Customer that the EPL has been installed and is available for Customer’s use. For those EPL services already installed, the In-Service Date is the Effective Date of the Agreement. Billing for EPL shall commence on the In-Service Date. Unless otherwise stated, the MRC and NRC above will be fixed for the duration of the Service Period.
- 3.3 **Additional Quantities of EPL.** The Customer may add, via written or electronic request to Verizon, additional quantities of those EPL service rate elements shown in below at the Locations as defined below and listed herein or at additional locations within the franchise area of the Verizon company providing EPL under this Exhibit at any time during the Service Period, provided facilities are available. If adequate facilities do not exist, additional charges as stated in Note 2 above will apply. All orders for additional EPL services placed by Customer with Verizon will be deemed authorized by Customer upon placement of such order. The provision of such added quantities of EPL services is subject to the terms and conditions of this Agreement. Each such added EPL service shall be subject to its own sixty (60) month Service Period, which will commence upon the In-Service Date of such additional EPL service rate element. The length of such Service Period will be as set forth in Section 3.2 above. Additional quantities of EPL services will be in accordance with the rates set forth below.

Service Rate Element	Unit MRC	IOF MRC Fixed	IOF MRC Per Mile	NRC Per Channel Extension
10 Mb Protected Channel Extensions	\$ 540.00	\$ 67.50	\$ 47.25	\$ 1.00
50 Mb (DS3) Protected Channel Extensions	\$ 900.00	\$ 123.75	\$ 57.75	\$ 1.00
100 Mb (2 STS1s) Protected Channel Extensions	\$1,260.00	\$ 180.00	\$ 67.50	\$ 1.00
150 Mb Protected Channel Extensions	\$1,500.00	\$ 217.50	\$ 84.75	\$ 1.00
300 Mb Protected Channel Extensions	\$2,092.50	\$ 307.50	\$ 111.00	\$ 1.00
450 Mb Protected Channel Extensions	\$2,692.50	\$ 397.50	\$ 138.00	\$ 1.00
600 Mb Protected Channel Extensions	\$3,285.00	\$ 487.50	\$ 164.25	\$ 1.00
1000 Mb Protected Channel Extensions	\$4,605.00	\$ 682.50	\$ 230.25	\$ 1.00
Fibre Chan/FiCON Protected Channel Extensions	\$5,070.00	\$ 753.75	\$ 253.50	\$ 1.00
10 Mb Unprotected Channel Extensions	\$ 442.50	\$ 67.50	\$ 47.25	\$ 1.00
50 Mb (DS3) Unprotected Channel Extensions	\$ 720.00	\$ 123.75	\$ 57.75	\$ 1.00
100 Mb (2 STS1s) Unprotected Channel Extensions	\$ 990.00	\$ 180.00	\$ 67.50	\$ 1.00
150 Mb Unprotected Channel Extensions	\$1,200.00	\$ 217.50	\$ 84.75	\$ 1.00
300 Mb Unprotected Channel Extensions	\$1,672.50	\$ 307.50	\$ 111.00	\$ 1.00

450 Mb Unprotected Channel Extensions	\$2,145.00	\$ 397.50	\$ 138.00	\$ 1.00
600 Mb Unprotected Channel Extensions	\$2,617.50	\$ 487.50	\$ 164.25	\$ 1.00
1000 Mb Unprotected Channel Extensions	\$3,667.50	\$ 682.50	\$ 230.25	\$ 1.00
Fibre Chan/FiCON Unprotected Channel Extensions	\$4,020.00	\$ 753.75	\$ 253.50	\$ 1.00

4. **Cancellation and Termination Charges.**

- 4.1 If the Customer cancels EPL subsequent to execution of this Exhibit by both parties, but prior to the In-Service Date of such service, Customer shall pay Verizon its actual incurred costs of provisioning the EPL and any associated New Construction up to the point of such cancellation. Cancellation must be in writing to Verizon.
- 4.2 Following the In-Service Date, termination charges shall apply to each circuit terminated. If the Customer terminates any or all of the circuits covered by this Exhibit before the end of the relevant Service Period, the Customer must pay a termination charge for each affected circuit equal to 100% of the MRCs for the unexpired portion of the first 12 months of the Service Period, plus 25% of the MRCs for each affected circuit for the remainder of the Service Period. Any such termination charge shall be due and payable in one lump sum within thirty (30) days of billing. Customer is also responsible for all charges incurred up to the date of any EPL terminated.
- 4.3. Termination charges will not apply under any of the following circumstances:
 - 4.3.1 Customer and Verizon agree at any time prior to the end of the Service Period to extend the Service Period to a longer term commitment.
 - 4.3.2 Customer (1) upgrades an existing EPL to a new, higher bit rate EPL Service, or a storage service (e.g., Fibre Channel or FiCON), and (2) the Service Period for the upgraded service is the same or longer than the Service Period of the existing EPL.
 - 4.3.3 Customer upgrades an existing EPL circuit from Unprotected Channel Extensions to Protected Channel Extensions.
 - 4.3.4 Customer moves one or more Channel Extensions onto a DSR Service provided by Verizon to Customer.

5. **Service Level Agreement ("SLA").**

- 5.1 EPL is interrupted when the Customer's data traffic cannot be transmitted or received over Verizon's network solely because of a failure of a facility provided by Verizon to furnish the EPL ("Service Interruption"). A Service Interruption period starts when the Customer reports the interruption to Verizon personnel. Customer must request a credit from Verizon within thirty (30) days of the Service Interruption and is eligible for a credit as stated below:
 - 5.1.1 For EPL circuits that consist entirely of Protected Channel Extensions, Customer will be eligible for a credit of 100% of the MRC for each affected EPL circuit (Channel Extensions and associated Service Mileage) for any single Service Interruption that exceeds one minute.
 - 5.1.2 For EPL circuits that consist of either Unprotected Channel Extensions or of both Protected and Unprotected Channel Extensions, Customer will be eligible for a credit of 100% of the MRC for each affected EPL circuit (Channel Extensions and associated Service Mileage) for any single Service Interruption that exceeds four (4) hours.
 - 5.1.3 Credits for any affected EPL shall be limited to a single MRC in a monthly billing cycle.
- 5.2 No credits will be granted for:
 - 5.2.1 Service Interruptions caused by the negligence of the Customer or a third party;
 - 5.2.2 Service Interruptions caused by the failure of power, equipment, systems, facilities or services not provided by Verizon;
 - 5.2.3 The period of time during a Service Interruption when Verizon or its representatives are not afforded access to the premises where the EPL is terminated;
 - 5.2.4 The period of time during a Service Interruption when the Customer has released the EPL to Verizon or its representative for maintenance, EPL rearrangement, or the implementation of a Customer service order for a change in the EPL during the time that was negotiated with the Customer prior to the release of such service;
 - 5.2.5 The period of time during a Service Interruption when the Customer has chosen not to release the EPL for testing and/or repair;
 - 5.2.6 A Service Interruption which continues because the Customer has failed to authorize replacement of any element of new construction following the receipt of written notification by Verizon of the need for such replacement. The period for which no credit allowance is made begins on the seventh day after the Customer receives Verizon's written notification of the need for such

replacement and ends on the day after receipt by Verizon of the Customer's written authorization for such replacement; or

5.2.7 A Service Interruption caused by a force majeure event.

6. **Additional Provisions.**

- 6.1 **Interstate Certification.** Customer warrants and represents that more than ten percent (10%) of the traffic transported over the EPL provided herein is interstate in nature.
- 6.2 **Facilities.** Additional charges may be required if suitable facilities are not available to provide EPL Service at any location, or if any additional work, services, or quantities of EPL are provided. In the event installation of additional network facilities is required to provide EPL, Verizon will inform Customer of such additional charges, and Verizon will install such facilities only upon mutual written agreement of the parties to such additional charges. If Customer does not agree to pay such charges, then this Agreement will be subject to termination by Verizon without application of the termination charges described herein.
- 6.3 **Customer Purchase Orders.** The terms and conditions contained on a Customer purchase order document (whether signed by one or both parties) shall not serve to modify the terms and conditions of the Agreement or this Exhibit and such terms and conditions shall be void and of no effect.
- 6.4 **Locations.** EPL shall be provided to Customer under the terms hereof at the locations shown in the table below ("Locations"). Customer may request service to add new locations pursuant to Section 3.3.
- 6.5 **Rate Expirations.** Verizon, at its discretion, may adjust the rates, terms and conditions of the EPL if this Agreement is not signed and dated by Customer on or before November 13, 2008.

From:	To:
1445 Civic Drive, Victorville, CA. 92392 (VTVLCAXA) 760/245	670 E. Gilbert. San Bernardino, CA 92415 (SNBRCAXK) 909/388
1445 Civic Drive, Victorville, CA. 92392 (VTVLCAXA) 760/245	8303 North Haven Ave. Rancho Cucamonga, CA 91730 (CCMNCAXF) 909/948
670 E. Gilbert. San Bernardino, CA 91245 (SNBRCAXK) 909/388	8303 North Haven Ave. Rancho Cucamonga , CA 91730 (CCMNCAXF) 909/948
777 E Rialto. San Bernardino, CA 91245 (SNBRCAXK) 909/387	8303 North Haven Ave. Rancho Cucamonga ,CA 91730 (CCMNCAXF) 909/948
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1445 Civic Drive, Victorville, CA. 92392 (VTVLCAXA) 760/245	777 E Rialto. San Bernardino, CA 91245 (SNBRCAXK) 909/387